

[DISCUSSION DRAFT]

115TH CONGRESS
1ST SESSION

H. R. _____

To suspend contributions by Fannie Mae and Freddie Mac to the Housing Trust Fund during any period that the full required dividend payments under the Senior Preferred Stock Purchase Agreements for such enterprises are not made, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M. _____ introduced the following bill; which was referred to the Committee on _____

A BILL

To suspend contributions by Fannie Mae and Freddie Mac to the Housing Trust Fund during any period that the full required dividend payments under the Senior Preferred Stock Purchase Agreements for such enterprises are not made, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “GSE Jumpstart Reau-
5 thorization Act of 2017”.

1 **SEC. 2. EXTENSION OF LIMITATION ON SALE OF PRE-**
2 **FERRED STOCK.**

3 Subsection (b) of section 702 of division O of the
4 Consolidated Appropriations Act, 2016 (Public Law 114–
5 113; 129 Stat. 3025) is amended by striking “January
6 1, 2018” and inserting “January 1, 2019”.

7 **SEC. 3. CONSERVATION OF CAPITAL DURING PERIODS OF**
8 **LOW NET WORTH.**

9 Subsection (b) of section 1337 of the Federal Hous-
10 ing Enterprises Financial Safety and Soundness Act of
11 1992 (12 U.S.C. 4567(b)) is amended—

12 (1) by striking “The Director” and inserting
13 “Notwithstanding any other provision of law, the Di-
14 rector”;

15 (2) by redesignating paragraphs (1), (2), and
16 (3) as subparagraphs (A), (B), and (C), respectively,
17 and realigning such subparagraphs (as so redesign-
18 ated) so as to be indented 4 ems from the left mar-
19 gin;

20 (3) by striking “by an enterprise upon a find-
21 ing” and inserting the following: “by an enterprise—
22 “(1) upon a finding”;

23 (4) in paragraph (1)(C), as so redesignated by
24 the amendments made by paragraphs (2) and (3) of
25 this section, by striking the period at the end at in-
26 serting “; or”; and

1 (5) by adding at the end the following new
2 paragraph:

3 “(2) for a fiscal year, if, for any Dividend Pe-
4 riod ending during such fiscal year, the holders of
5 outstanding shares of Senior Preferred Stock of
6 such enterprise do not receive cumulative cash divi-
7 dends in an amount equal to the Dividend Amount
8 for such Dividend Period.

9 For purposes of paragraph (2), the terms ‘Dividend Pe-
10 riod’, ‘Senior Preferred Stock’, and ‘Dividend Amount’
11 shall, with respect to an enterprise, have the meanings
12 given such terms for purposes of the Amended and Re-
13 stated Senior Preferred Stock Purchase Agreement, dated
14 September 26, 2008, and entered into between the De-
15 partment of the Treasury and such enterprise, as such
16 Agreement has been amended on May 6, 2009, December
17 24, 2009, and August 17, 2012, but such meanings shall
18 not take into consideration any additional amendment to
19 such Agreement made after the date of the enactment of
20 the GSE Jumpstart Reauthorization Act of 2017.”.